

REMARKS

Applicants have amended claims 26 and 32. Applicant has added claims 44-56. Claims 26-56 are now pending in this application.

In the Office Action dated July 1, 2004, the Examiner rejected claims 26-30, 32-33 and 38-43 under 35 U.S.C. 103(a) as being unpatentable over Basch et al. (US Patent No. 6,119,103) and additionally rejected claims 31 and 34-37 under 35 U.S.C. 103(a) as being unpatentable over Basch et al. in view of Spitz et al. (US Patent No. 2002/0139837 A1).

The undersigned has reviewed the July 1, 2004, Office Action and respectfully traverses all rejections for the reasons set forth herein. No new matter has been added. The undersigned respectfully requests that all pending claims, as amended, be allowed.

A. 35 U.S.C. 103(a)

The Examiner has rejected claims 26-30, 32-33 and 38-43 under 35 U.S.C. 103(a) as being unpatentable over Basch et al. (US Patent No. 6,119,103, hereinafter "Basch"), and additionally rejected claims 31 and 34-37 under 35 U.S.C. 103(a) as being unpatentable over Basch et al. in view of Spitz et al. (US Patent No. 2002/0139837 A1, hereinafter "Spitz"). Applicants respectfully traverse the rejection and request allowance of the claims.

As pointed out by the Applicant in earlier communications with the Examiner, in order to support a rejection under 35 U.S. C. 103(a), the Examiner must demonstrate that the prior art references describe or suggest all of the claimed limitations of the present invention. (see *In re Royka*, 490 F.2d 981, 180 U.S.P.Q. 580 (C.C.P.A.1974 and *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991).

The MPEP explicitly explains that the Examiner has the burden of demonstrating which prior art references the Examiner is relying on (with reference to relevant column and line numbers), the difference or differences in the claim over the applied references, the proposed modification necessary to arrive at the claimed subject matter and explanation of why one of ordinary skill in the art at the time the invention was made would have been motivated to make the proposed modification (see 706.02(j)).

Accordingly, case law and the Examination Guidelines clearly and unequivocally state that rejection under 35 U.S. C. 103(a) is only proper if the Examiner has succinctly demonstrated that the cited prior art either alone or in combination, describe or suggest all of the claimed limitations of the present invention. No such demonstration has been made.

The Examiner has continued a pattern of stating his obviousness rejections by partially reproducing the claims of the present invention and omitting unique elements of claims. The Examiner simply refuses to address or even mention inventive aspects of the present invention. In addition, the Examiner relies on inaccurate or unsupported interpretations of portions of Basch and Spitz, which portions are taken out of context and not consistent with the scope of the prior art.

In order to aid this discussion and hone the issues to a few succinct issues, the undersigned will discuss here three important distinguishing features of the present invention as claimed in claim 26 and the dependent claims 27-43.

As presently claimed and unlike any of the cited art, independent claim 26 requires: a) receipt into a computer system data descriptive of the transaction that includes an amount of money involved in the transaction; a geographic location of a market participant associated with the transaction; government regulations associated with the transaction; and one or more currencies involved in the transaction; b) receipt into the computer system of risk data that is generally related to regulatory risk or risk associated with a cost to defend an adverse position; and c) generation of a report that includes a portion of the risk data that has been associated with at least one of: the data descriptive of the transaction and the identifier of one or more market participants associated with the transaction.

Neither Basch nor Spitz describe or suggest elements that require receipt of data descriptive of the geographic location of a market participant, government regulations associated with the transaction, or currencies involved in the online transaction. As amended, claim 26 requires receipt of each of these types of data. The Examiner purports that col. 16 lines 51-55 of Basch describes similar use of geographic data. However, col. 16 lines 51-55 of Basch is only concerned with filters that applied to predictive modeling, including one exemplary filter that can

include geographic information. It does not describe or suggest receiving data descriptive of the geographic location of each online market participant participating in each respective transaction.

In addition, Basch does not even mention government regulations associated with an online transaction. The word regulation does not appear in Basch at all. Nor does the Examiner even purport that Basch describes or suggests anything to do with government regulations. The Office Action of July 1, 2004 simply lists the limitation and completely omits any reason why it is purported to be obvious in view of the cited prior art. This distinguishing limitation appears to just be disregarded by the Examiner, since there the Office Action makes no mention of how Basch may act as a suitable reference to support a 35 U.S. C. 103(a) rejection for a limitation requiring association of a government regulation associating with the online transaction.

Similarly, Basch does not provide any support for a 35 U.S. C. 103(a) rejection of a claim with a limitation requiring receipt of data descriptive of one or more currencies involved in an online transaction. As with government regulations, the word currency simply does not appear in Basch at all, and as with government regulations, the Examiner just glosses over this limitation offering no support or reference as to how Basch describes or suggests this limitation.

Basch also does not describe or suggest a method or system for gathering risk data that is generally related to regulatory risk or the cost to defend an adverse position, as required by amended claim 26. Since Basch does not describe or suggest collection of such risk data, it cannot describe or suggest associating the risk data with the data descriptive of the transaction or the identifier of one or more market participants associated with the transaction. In turn, since Basch does not describe or suggest collection of such risk data or associating the risk data with the data descriptive of the transaction or the identifier of one or more market participants, it cannot possibly describe or suggest the limitation of generating a report that includes that portion of data associated with the transaction or market participants.

Since Basch does not describe or suggest the limitations in independent claim 26, claims 27-43 cannot be obvious in view of Basch. Spitz does not help with claims 31 and 34-37 since Spitz does not provide any description or suggestion for any of the above listed claim limitations. However, if the Examiner has any concerns, or would like to discuss any of the additional

limitations included in claims 27-43, then the undersigned respectfully requests that he be contacted at the telephone number below.

Independent claim 44 and claims 45 to 56 depending from independent claim 44 have also been added to further clarify inventive aspects of the present invention and distinguish the present invention over the deficiencies of the present invention. In particular, claim 44 distinguishes over Basch and Spitz by further clarifying how the present invention can facilitate oversight as to whether a contemplated online transaction may cause the online market participant to violate a rule put forth by a regulatory agency and how a risk quotient is automatically calculated based upon the data received.

In addition, claim 44 requires the unique elements of generating with the computer processor a suggested action that correlates to the numerical value of the risk quotient and receiving an indication or whether the suggested action is completed by the online market participant. Finally, the present invention is further clarified in claim 44 with the limitation of generating a report that includes the information descriptive of the contemplated online transaction, the numerical value of the uniquely generated risk quotient, the suggested action and the indication of whether the suggested action was completed by the online participant. Neither Basch nor Spitz includes these unique limitations.

In addition, each of the dependent claims 45-56 includes additional required limitations. Some of the additional limitations are completely unique in and of themselves over the cited prior art, such as the added limitation of presenting the report to at least one of: a regulatory body; shareholders; and news media; and calculating average or mean risk quotients associated with an online market participant.

Accordingly, for the foregoing reasons, the Applicants respectfully submit that pending claims 26-56 are in condition for allowance.

Application No. 09/919,413
Amendment dated January 3, 2005
Reply to the Office Action of July 1, 2004

B. CONCLUSION

Allowance of this application, as amended, is courteously urged. The Commissioner is hereby authorized to deduct any fees due in connection with this response to Deposit Account No. 50-0521.

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Respectfully submitted,

/Joseph P. Kincart/

Joseph P. Kincart

Reg. No. 43,716

Customer No. 27383
Clifford Chance US LLP
31 West 52nd Street
New York, NY 10019-6131
Telephone: (212) 878-8476